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*Financial Report*

*Jefferson Council on Aging, Inc.*

*Metairie, Louisiana*

*June 30, 1998*

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the auditor, or reviewed, entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date NOV 18 1998

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**Jefferson Council on Aging, Inc.**

June 30, 1998

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June 30, 1998

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Bourgeois Bennett

## INDEPENDENT AUDITOR'S REPORT

The Members of the Board of Directors,  
Jefferson Council on Aging, Inc.

We have audited the accompanying general-purpose financial statements of the Jefferson Council on Aging, Inc. (the Council) as of and for the year ended June 30, 1998 as listed in the table of contents. These general-purpose financial statements are the responsibility of the Council's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the Jefferson Council on Aging, Inc. as of June 30, 1998, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report dated August 18, 1998 on our consideration of Jefferson Council on Aging Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements of Jefferson Council on Aging, Inc. taken as a whole. The accompanying schedules as listed in the table of contents including the combining and individual fund and account group financial statements, and schedule of expenditures of federal awards as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, are presented for purposes of additional analysis and are not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.

*Bourgeois Bennett, LLC.*

Certified Public Accountants.

Metairie, La.,  
August 18, 1998.

**GENERAL-PURPOSE FINANCIAL STATEMENTS**

## COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUP

## Jefferson Council on Aging, Inc.

June 30, 1998

With comparative totals at June 30, 1997

	Governmental Fund Types		Account Group General Fund Assets	Totals	
	General	Special Revenue		(Monomunicipal-Only) 1998	1997
<b>Assets</b>					
Cash and cash equivalents (Note 3)	\$ 898,552	\$ 171,294	\$ -	\$ 1,069,846	\$ 894,288
Investments (Note 3)	325,128	-	-	325,128	238,514
Accounts receivable (Note 4)	46,657	156,684	-	183,341	84,886
Accounts payable	2,708	-	-	2,708	4,211
Fixed assets (Note 6)	-	-	383,490	383,490	351,293
Unaffiliated improvements (net of amortization of \$8,718) (Note 6)	-	-	-	-	1,459
Prepaid insurance	1,332	-	-	1,332	-
Other prepaid expenses	11,132	-	-	11,132	87
<b>Total assets</b>	<b>\$ 1,313,499</b>	<b>\$ 348,428</b>	<b>\$ 383,490</b>	<b>\$ 1,845,411</b>	<b>\$ 1,548,881</b>
<b>Liabilities, Fund Equity and Other Credits</b>					
<b>Liabilities</b>					
Accounts payable	\$ 98,095	\$ 126,684	\$ -	\$ 224,779	\$ 128,118
Accrued interest	51,292	-	-	51,292	28,776
Accrued annual leave	12,891	-	-	12,891	11,879
Payroll taxes payable	3,218	-	-	3,218	3,696
Advances from and to funds due funding sources (Note 7)	-	44,525	-	44,525	16,522
<b>Total liabilities</b>	<b>165,496</b>	<b>171,209</b>	<b>-</b>	<b>336,705</b>	<b>206,931</b>
<b>Fund Equity and Other Credits (Note 8)</b>					
Investment in general fund assets	-	-	383,490	383,490	353,293
<b>Fund balances:</b>					
Reserved	88,340	128,438	-	206,778	113,708
Unreserved					
Designated - Community Committee on Aging (Note 10)	326,721	-	-	326,721	238,689
Designated - Working	-	-	-	-	-
Capital Reserve (Note 9)	508,008	-	-	508,008	-
Undesignated	173,483	-	-	173,483	678,286
<b>Total fund balances</b>	<b>986,552</b>	<b>128,438</b>	<b>-</b>	<b>1,114,990</b>	<b>1,094,673</b>
<b>Total fund equity and other credits</b>	<b>986,552</b>	<b>128,438</b>	<b>383,490</b>	<b>1,498,520</b>	<b>1,347,976</b>
<b>Total liabilities, fund equity and other credits</b>	<b>\$ 1,151,992</b>	<b>\$ 309,647</b>	<b>\$ 383,490</b>	<b>\$ 1,845,111</b>	<b>\$ 1,548,857</b>

See notes to financial statements.

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES -  
ALL GOVERNMENTAL FUND TYPES**

**Jefferson Council on Aging, Inc.**

For the year ended June 30, 1998

With comparative totals for the year ended June 30, 1997

	General	Special Revenues	Totals	
			Other Sources (Only) 1998	1997
<b>Revenues</b>				
Intergovernmental	\$ 380,245	\$2,156,822	\$2,468,865	\$2,298,222
Interest income	32,785	112	52,899	47,829
Public support	23,658	194,492	218,150	196,340
Miscellaneous	153,383	6,349	119,832	118,914
In-kind contributions (Note 17)	-	1,872,507	1,872,507	1,826,774
<b>Total revenues</b>	<b>490,071</b>	<b>3,430,682</b>	<b>3,823,663</b>	<b>3,698,780</b>
<b>Expenditures</b>				
Current:				
Salaries	139,000	758,688	897,718	889,981
Fringe	24,640	118,139	134,779	131,882
Meals	-	522,801	522,801	500,476
Travel	3,288	36,588	39,886	34,611
Operating services	121,340	151,300	272,642	277,518
Operating supplies	45,382	20,251	64,633	48,868
Other costs	42,185	414,821	456,987	463,238
Grant to Jefferson Parish	-	205,808	205,808	198,808
Capital outlay	64,887	3,426	68,313	9,323
Utility assistance	-	74,688	74,688	81,844
In-kind contributions (Note 17)	-	1,872,507	1,872,507	1,826,774
<b>Total expenditures</b>	<b>438,663</b>	<b>3,389,295</b>	<b>3,828,218</b>	<b>3,543,121</b>
<b>Excess of Revenues Over Expenditures</b>	<b>51,408</b>	<b>48,687</b>	<b>94,811</b>	<b>155,666</b>
<b>Other Financing Sources (Uses)</b>				
Transfers for use restricted by FCRA (Note 17):				
Operating transfers in	146,136	380,882	403,808	480,367
Operating transfers out	(185,656)	(241,383)	(142,808)	(180,367)
<b>Excess of Revenues and Other Sources Over Expenditures and Other Uses</b>	<b>11,886</b>	<b>88,187</b>	<b>94,811</b>	<b>155,666</b>
<b>Fund Balances</b>				
Beginning of year	966,423	48,252	1,814,675	858,808
End of year	\$ 981,012	\$ 138,439	\$1,909,486	\$1,014,474

See notes to financial statements.

COMBINED STATEMENT OF CHANGES IN FUND BALANCES

Jefferson Council On Aging, Inc.

For the year ended June 30, 1981

	General Fund					Special Revenue Funds - Reserved	Total All Funds
	Reserve	Total Reserve	Unassigned Designated - Community Centers	Unassigned Designated - Working Capital	Unassigned Total		
July 1, 1987	\$ 1,266	\$ 65,448	\$ 116,609	\$ -	\$ 478,286	\$ 482,152	\$ 1,014,875
Excess of revenues and other sources over expenditures and other uses	-	-	(2,948)	-	18,595	80,187	94,811
Increase (decrease) of reserves for capital	-	-	-	500,000	(500,000)	-	-
Increase (decrease) of reserves for noncurrent assets	11,188	11,188	-	-	(11,188)	-	-
Increase (decrease) of reserves for endowment	-	4,125	-	-	(4,125)	-	-
June 30, 1981	\$ 12,454	\$ 80,241	\$ 216,731	\$ 500,000	\$ 373,566	\$ 1,236,428	\$ 1,109,686

See notes to financial statements.

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS)  
AND ACTUAL - GENERAL FUND TYPE**

**Jefferson Council On Aging, Inc.**

For the year ended June 30, 1998

	Budget	Actual	Variance- Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$ 318,470	\$ 300,243	\$ (18,227)
Interest income	33,455	52,783	19,328
Public support	23,098	23,638	540
Miscellaneous	107,194	113,303	6,109
<b>Total revenues</b>	<b>482,217</b>	<b>490,967</b>	<b>8,750</b>
<b>Expenditures</b>			
Current:			
Salaries	83,766	130,030	(56,264)
Printing	14,051	24,640	(10,589)
Travel	460	3,298	(2,838)
Operating services	121,444	121,340	104
Operating supplies	42,306	43,382	(1,076)
Other cost	24,411	42,566	(17,955)
Capital outlay	41,693	64,807	(23,114)
<b>Total expenditures</b>	<b>327,660</b>	<b>438,863</b>	<b>(118,503)</b>
<b>Excess of Revenues Over Expenditures</b>	<b>154,557</b>	<b>54,104</b>	<b>(100,453)</b>
<b>Other Financing Uses</b>			
Net transfers for cost absorbed by JCOA:			
Operating transfers out	(46,638)	(39,500)	7,138
<b>Excess of Revenues Over Expenditures and Other Uses</b>	<b>107,919</b>	<b>14,604</b>	<b>\$ (93,315)</b>
<b>Fund Balances</b>			
Beginning of year	966,425	966,425	
End of year	<b>\$ 1,074,042</b>	<b>\$ 981,047</b>	

See notes to financial statements.

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND  
ACTUAL - SPECIAL REVENUE FUND TYPE**

**Jefferson Council On Aging, Inc.**

For the year ended June 30, 1998

	Budget	Actual	Variance- Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$2,104,889	\$ 2,136,822	\$ 32,933
Interest income	-	513	513
Public support	158,680	164,492	5,812
Miscellaneous	-	6,149	6,149
In-kind contributions	1,032,509	1,073,287	-
<b>Total revenues</b>	<b>3,335,988</b>	<b>3,451,062</b>	<b>115,074</b>
<b>Expenditures</b>			
Current			
Salaries	754,934	758,680	(3,746)
Fringe	116,638	118,139	1,501
Meals	542,391	522,901	20,490
Travel	56,414	56,588	(174)
Operating services	132,057	131,102	955
Operating supplies	16,254	21,251	(5,997)
Other cost	427,544	434,021	(6,477)
Grant to Jefferson Parish	265,680	265,680	-
Capital outlay	-	3,426	(3,426)
Utility assistance	74,680	74,680	-
In-kind contributions	1,032,509	1,032,507	-
<b>Total expenditures</b>	<b>3,421,639</b>	<b>3,189,395</b>	<b>232,244</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>(85,651)</b>	<b>41,667</b>	<b>127,318</b>
<b>Other Financing Sources</b>			
Net transfers for cost absorbed by JCOA:			
Operating transfers in	46,638	35,200	(11,438)
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures</b>	<b>(39,013)</b>	<b>86,867</b>	<b>\$ 125,880</b>
<b>Fund Balances</b>			
Beginning of year	48,252	48,252	
End of year	\$ 9,239	\$ 135,119	

See notes to financial statements.

**NOTES TO FINANCIAL STATEMENTS****Jefferson Council On Aging, Inc.**

June 30, 1988

**Note 1 - BACKGROUND OF ORGANIZATION**

The Jefferson Council On Aging, Inc. (the Council) is a quasi-public, nonprofit organization incorporated in the State of Louisiana on September 10, 1971.

The purpose of the Council shall be to serve the senior citizens of the Parish of Jefferson, such as to collect facts and statistics and make special studies of conditions pertaining to the employment, financial status, recreation, social adjustment, mental and physical health and other conditions affecting the aging people in the Parish; to keep abreast of the latest developments in these fields of activity throughout the Parish, the State and Nation; to conduct public meetings; to make recommendations to proper authorities for needed improvements and additional resources to promote the well being of aging people; to implement the recommendations, and to assist and cooperate with Departments of the State, Parish and Municipal governments and with other organizations serving the aging people; to develop, implement and provide services and programs for the aging to be conducted within the Parish; to administer, conduct and provide services, activities, programs, and financing for the above stipulated purposes.

**Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. In November of 1984, the GASB issued a codification of governmental accounting and financial reporting standards. This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments.

**Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

The financial statements of the Jefferson Council On Aging, Inc. have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. These statements have also incorporated any applicable requirements set forth by GAO Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and the industry audit guide issued by the American Institute of Certified Public Accountants. The more significant of the Council's accounting policies are described below.

**A. Fund Accounting**

The Council uses funds and account groups to report its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain governmental functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. Funds of the Council are classified as governmental funds. Governmental funds account for the Council's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition of general fixed assets, and the servicing of general long-term debt. The governmental funds and the programs comprising them as presented in the financial statements are described as follows:

**General Fund** - The General Fund is the general operating fund of the Council. It is used to account for all financial resources except those required to be accounted for in another fund. These discretionary funds are accounted for and reported according to the source (state or local) from which they are derived.

**Special Revenue Funds** - Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Fund Accounting (Continued)

The following programs comprise the Council's General Fund:

**SHIP** - (Senior Health Insurance Information Program) - This fund is used to account for the expenditures associated with the Council's sponsorship of the SHIP.

**Fund Raising** - This fund is used to account for the fund raising efforts of the Council.

**Transportation** - These are funds used to operate the transportation program which provides nutrition and social rides to program participants. The deficits incurred in this program are absorbed by the Council's discretionary funds.

**Local** - Local funds are received from various local sources; such funds not being restricted to any special use.

**Community Committees** - Community Committee funds are the funds of the nine Community Committees on Aging as described in Note 5. These funds are general funds designated for the Community Committees on Aging. These funds were generated by the Community Committees on Aging.

**FCOA (Act 738) - FCOA (Act 735)** funds are appropriated to the Governor's Office of Elderly Affairs by the Louisiana Legislature for maintenance to the Jefferson Council on Aging, Inc. The Council may use these "Act 735" funds at its discretion.

The following funds are the funds which comprise the Council's Special Revenue Funds:

**JTPA Fund** - This Fund is used to account for the payment and reimbursement of expenses incurred in the operation of the Job Training Partnership Act. Included in these expenses are reimbursements of salaries paid by employers for program participants whose salaries are being supplemented by funds provided through this act.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Fund Accounting (Continued)

**Ombudsman** - Ombudsman funds are provided by the United States Department of Health and Human Services to the Louisiana Governor's Office of Elderly Affairs which "passes through" the funds to the Council. This program provides advocacy services for nursing home residents.

**Senior Center Fund** - Senior Center funds are appropriated by the Louisiana Legislator to the Governor's Office of Elderly Affairs, which "passes through" the Funds to the Council. This program provides community service centers in which older persons receive supportive services and participate in activities which foster their independence, enhance their dignity, and encourage their involvement in and with the community.

**Utility Assistance Fund (Helping Hands and Hearing Help)** - The Utility Assistance Fund is used to account for the administration of programs that are sponsored by local utility companies. The companies collect contributions from service customers and remit the funds to the Louisiana Association of Councils on Aging (LACOA) which in turn remits funds relating to Jefferson Parish to the Council so that it can provide assistance to the elderly and disabled for the payment of their utility bills.

**Miscellaneous Programs** - The Miscellaneous Programs Fund is used to account for the administration and expenditure of funds provided by the State of Louisiana to the Louisiana Governor's Office of Elderly Affairs, which "passes through" the funds to the Council. For the year ended June 30, 1998, these funds included \$205,000 for the construction of a senior center facility, \$100,500 for Title III C-2 home delivered meals and \$71,270 for senior center funding. For the year ended June 30, 1997, these funds included \$130,000 for the construction of a senior center facility, \$185,500 for Title III C-2 Home Delivered Meals and \$71,288 for Senior-Center Funding.

**U.S.D.A. Fund (Cash-in-Kind of Commodities)** - The U.S.D.A. Fund is used to account for the administration of the Food Distribution Program funds provided by the United States Department of Agriculture to the Louisiana Governor's Office of Elderly Affairs, which "passes through" the funds to the Council. This program reimburses the service provider on a per unit basis for

**Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**A. Fund Accounting (Continued)**

**U.S.D.A. Fund (Cash-in-Kind of Commodities) (Continued)** - each congregate and home-delivered meal served to an eligible participant so that United States food and commodities may be purchased to supplement these programs.

**Audit Fund** - The Audit Fund is used to account for funds received from the Governor's Office of Elderly Affairs that are restricted to use as a supplement to pay for the cost of having an annual audit of the Council's financial statements.

**Title III-B Supportive Services Fund** - Title III-B funds are provided by the United States Department of Health and Human Services to the Louisiana Governor's Office of Elderly Affairs which "passes through" the funds to the Council. This program provides access services, in-home services, community services, legal assistance, and transportation for the elderly.

**Title III-C Administration Fund** - The Title III-C Administration Fund is used to account for the administration of Special Programs for the Aging. Title III-C administration funds are provided by the United States Department of Health and Human Services to the Louisiana Governor's Office of Elderly Affairs, which "passes through" the funds to the Council. These funds are used to pay for administrative costs associated with the Title III and Senior Center programs.

**Title III C-1 Congregate Meals Fund** - Title III C-1 Funds are provided by the United States Department of Health and Human Services to the Louisiana Governor's Office of Elderly Affairs, which "passes through" the funds to the Council. These funds are used to provide nutritional congregate meals to the elderly in strategically located centers.

**Title III C-2 Home Delivered Meals Fund** - Title III C-2 funds are provided by the United States Department of Health and Human Services to the Louisiana Governor's Office of Elderly Affairs, which "passes through" the funds to the Council. These funds are used to provide nutritional meals to homebound older persons.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Fund Accounting (Continued)

**Title III-D Fund** - The III-D Fund is used to account for funds which are used to provide in-home services to frail older individuals, including in-home supportive services for older individuals who are victims of Alzheimer's disease and related disorders with neurological and organic brain dysfunction, and to the families of such victims. Title III-D funds are provided by the United States Department of Health and Human Services to the Louisiana Governor's Office of Elderly Affairs, which in turn "passes through" the funds to the Council.

**Title III-F Fund** - The Title III-F Fund is used to account for the funds which are used to provide disease prevention and health promotion services to the elderly of Jefferson Parish.

**Title V** - This fund is used to account for the payment and reimbursement of expenses incurred in the operation of the Title V program. Included in these expenses are salaries paid for program participants whose salaries are being supplemented by funds provided through this program.

B. Account Groups

*An account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. The following account group is not a "fund":*

**General Fixed Assets** - The fixed assets (capital outlays) used in governmental fund type operations of the Jefferson Council on Aging, Inc. are accounted for in the General Fixed Assets Account Group and are recorded as expenditures in the governmental fund types when purchased. The Council's policy is not to account for fixed assets of the Community Committee in the General Fixed Assets Account Group.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets.

Governmental funds are maintained on the modified accrual basis of accounting, wherein revenues are recognized in the accounting period in which they become available and measurable. Expenditures are recognized in the accounting period in which the liability is incurred, if measurable.

D. Combination

The combined financial statements include the accounts of the Jefferson Council on Aging, Inc. and the nine Community Commissions on Aging within Jefferson Parish. See Note 10.

E. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

F. Investments

Investments are stated at cost.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

**G. Property and Equipment**

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, and are recorded as expenditures in the governmental fund types when purchased. The basis of valuation for assets acquired prior to July 1, 1980 consist of \$19,411 at cost and \$18,855 at an estimated value. Assets acquired after June 30, 1980 are maintained on a basis of original cost except for donated assets in the amount of \$308, which are recorded at estimated market value. No depreciation is computed or recorded thereon.

**H. Transfers**

Advances between funds which are not expected to be repaid are accounted for as transfers. In those cases where repayment is expected, the advances are accounted for through the various "due from" and "due to" accounts. The Council has not eliminated "due from" and "due to" balances on its June 30, 1998 financial statements, if applicable.

**I. Funding Policies**

The Council receives its monies through various methods of funding. U.S.D.A. cash in-lieu-of-commodities funds are provided through the Louisiana Governor's Office of Elderly Affairs to help offset raw food costs in Title III C-1 and C-2 programs. This program is funded under the units-of-service provided method. The Senior Center program and State Allocation (PCOA) funds are received as a monthly allocation of the total budget (grant) in advance of the actual expenditures. The Title III-B, C-1, C-2, and D programs are funded based on actual operating costs incurred.

The Council encourages and receives contributions from clients to help offset the costs of the Title III-B, C-1, C-2, and D programs. Jefferson Parish Council and other local governments also provided funds to the Council. JTPA funds were provided to reimburse the Council for payroll expenses incurred by employers participating in this program. Utility assistance funds are also provided by the Louisiana Association of Councils on Aging to the Council under the Helping Hands and Heating Help programs.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

**J. Related Party Transactions**

There were no related party transactions during the fiscal year.

**K. Annual and Sick Leave**

For governmental fund types, all of the Council's liability for accumulated unpaid vacation has been recorded in the general fund because the Council expects to liquidate the liability with expendable available resources. The Council's sick leave policy does not provide for the vesting of sick leave.

**L. Budget Policy**

Budgets for the various programs are prepared by the Council's Administrative Director and approved by the Council's Board of Directors and the grantor of the funds for each respective program. Appropriations from the Governor's Office of Elderly Affairs lapse at year end (June 30). The budget is prepared on a modified accrual basis, consistent with the basis of accounting, for comparability of budgeted and actual revenues and expenditures. Actual amounts are compared to budgeted amounts periodically during the fiscal year as a management control device.

The Council may transfer funds between line items as often as required but must obtain prior approval from the Governor's Office of Elderly Affairs for funds received under contracts from this agency.

Budgeted amounts included in the accompanying financial statements include the original adopted budget amounts and all subsequent amendments.

Budgets for the general funds are prepared by the Controller and are approved by the Council's Board of Directors.

Community Committee revenues and expenditures are not budgeted. In the general-purpose financial statements, the budget for this program was set equal to actual as to not-discard variances.

**Note 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**M. Comparative Data**

Comparative data for the prior year has been presented in the accompanying financial statements to provide an understanding of changes in the Council's financial position and operations. However, presentation of comparative data by fund type has not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

**N. Total Columns of Combined Statements - Overview**

Total columns of the combined statements - overview are captioned "memorandum only" to indicate that they are presented only to help with financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund transactions have not been made in the aggregation of this data.

**Note 3 - CASH AND CASH EQUIVALENTS AND INVESTMENTS**

State statutes authorize the Council to invest in United States bonds, treasury notes, or certificates, or time certificates of deposit of state banks organized under the laws of Louisiana and national banks having their principal office in the State of Louisiana. The Council's primary purpose for investing is to earn interest income on money that has been determined to be in excess of immediate cash requirements.

The Council is a quasi-governmental entity which is not required to comply with Louisiana laws relating to collateralization of cash and investments. The Council, however, has obtained collateralization for cash at financial institutions which is in excess of the FDIC insurance.

At June 30, 1998, the carrying amount of the Council's cash and cash equivalents were \$1,833,316 and the bank balances were \$1,049,646. All bank balances were covered by Federal depository insurance or by collateral held by the Council's agent in the Council's name.

**Note 3 - CASH AND CASH EQUIVALENTS AND INVESTMENTS (Continued)**

Cash and cash equivalents consist of the following:

Cash	\$ 325
Interest bearing checking accounts	1,000,817
Saving accounts	8,788
Money market accounts	<u>3,186</u>
<b>Total</b>	<b><u>\$1,013,316</u></b>

Investments consist of certificates of deposit and were adequately secured at June 30, 1998.

**Note 4 - CONTRACTS RECEIVABLE**

Contracts receivable at June 30, 1998 consisted of reimbursements for expenses incurred under the following programs:

	General Fund	Special Revenue Fund
JTPA	\$ 4,412	\$ -
Cash-in-Lieu of Commodities	26,203	-
Title III-D	9,873	-
Senior Centers	-	116,664
Title III-F	<u>5,899</u>	<u>-</u>
<b>Totals</b>	<b><u>\$46,652</u></b>	<b><u>\$116,664</u></b>

**Note 5 - LEASEHOLD IMPROVEMENTS**

Improvements made to the offices of the Jefferson Council on Aging, Inc. are being amortized on the straight-line method over the life of the lease (five years), and are included in operating services. For the year ended June 30, 1998, amortization expense totaled \$1,169. The original cost of the improvements totaled \$8,328.

**Note 4 - CHANGES IN GENERAL FIXED ASSETS**

A summary of changes in general fixed assets follows:

	Balance July 1, <u>1997</u>	Additions	Retirements	Balance June 30, <u>1998</u>
Furniture and equipment	\$203,194	\$27,740	\$10,791	\$220,143
Vans and auto	<u>150,101</u>	<u>29,000</u>	<u>16,154</u>	<u>162,947</u>
<b>Totals</b>	<b><u>\$353,295</u></b>	<b><u>\$56,740</u></b>	<b><u>\$26,945</u></b>	<b><u>\$383,090</u></b>

**Note 7 - ADVANCES FROM AND REFUNDS DUE FUNDING AGENCIES**

This account represents funds received which have not yet been distributed for the purposes designated. The gross revenues for the funds have been presented net of these advances. This account at June 30, 1998 consisted of \$44,323 relating to Title V.

**Note 8 - FUND BALANCE RESERVED - ENDOWMENT**

This represents funds that are subject to restrictions of the donor and/or board of directors requiring in perpetuity that the principal be invested and the income only be used.

**Note 9 - FUND BALANCE DESIGNATED - WORKING CAPITAL RESERVE**

This represents funds that will be used to phase out programs in the event normal funding is delayed or curtailed by either legislative action or policy changes. The funds may be used to cover short term emergencies. Such funds will be replaced as soon as they are received.

**Note 10 - COMMUNITY COMMITTEES ON AGING**

The nine Community Committees on Aging within Jefferson Parish are chartered under the authority of the Jefferson Council on Aging, Inc. Primarily because of this, they are considered to be included in the reporting entity of Jefferson Council on Aging, Inc. Fund balances for these committees totaled \$226,721 and \$230,689 at June 30, 1998 and 1997, respectively. There is no General Fund Asset Account Group presented for the Community Committees on Aging because it is not material.

**Note 11 - IN-KIND CONTRIBUTIONS**

The Jefferson Council on Aging, Inc. received in-kind contributions during the year in the nature of contributed facilities. Contributed facilities were recorded at the estimated rental value of the facilities and presented in this report as revenues. Related expenses, equal to the in-kind revenues, have also been presented, thereby producing no effect on excess of revenues over expenditures. Estimated rental value for the years ended June 30, 1998 and 1997 totaled \$563,699 and \$531,704, respectively.

Donated personal services of volunteers are recorded as revenues and expenditures at estimated fair values based upon valuation rates and job classifications developed by the Council. These donated personal services totaled \$506,808 and \$483,070 for the year ended June 30, 1998 and 1997, respectively. The Council also receives donated services in connection with the administration of the Senior Health Insurance Information Program (SHIIP). For the year ended June 30, 1998, the Council was unable to determine the value of these services and accordingly, are not included in the general-purpose financial statements.

Note 11 - IN-KIND CONTRIBUTIONS (Continued)

For the year ended June 30, 1998 in-kind revenues and expenditures were recorded by funds as follows:

	Fair Value of Recd.	Donated Services Volunteers	Totals
Orlando	\$ -	\$ 32,865	\$ 32,865
Senior Center	397,914	394,688	792,602
Title III C-1	131,714	-	131,714
Title III C-2	36,921	59,245	96,166
Totals	\$666,652	\$386,838	\$1,053,490

In-kind contributions were not included in the program budgets for the year ended June 30, 1998. Because the amounts do not represent actual cash transactions, the comparison of budget to actual figures presented in Exhibit D are presented in such a way that the in-kind contributions do not affect the variances.

Non-IE INTERFUND TRANSFERS

Operating transfers in and out as listed by fund for the year ended June 30, 1998:

	Funds Transferred Out					Totals
	Funds Transferred In	Fund Raising	Local	PCOA (Act 713)	Miscellaneous Programs	
SIUP		\$ -	\$ 15,499	\$ -	\$ -	\$ 15,499
Transportation		-	84,437	42,867	-	126,904
Local	4,126	-	-	-	-	4,126
JTPA	-	-	20,182	-	-	20,182
Orchardman	-	-	-	10,353	-	10,353
Senior Center	-	-	-	-	71,270	71,270
Commodities	-	-	3,415	-	-	3,415
Title III C - Area Agency Administration	-	-	3,271	-	-	3,271
Title III C-1	-	-	-	-	-	12,959
Title III C-2	-	-	-	-	100,500	100,500
Title III F	-	-	289	-	-	289
Total out	\$ 4,126	\$ 126,000	\$ 52,420	\$ 174,270	\$ 69,652	\$ 477,008

**Note 13 - OPERATING LEASES**

The Jefferson Council on Aging, Inc. leased its office space from the Jefferson Parish Council under a five-year lease with an option to renew for an additional five years. On March 1, 1998, the Council exercised its option to renew the current lease for an additional five years. The monthly rent of \$5,153 is fixed for the option period. The total rent expense paid under this lease for the year ended June 30, 1998 was \$61,830. As of June 30, 1998, the Council had fifty-six months remaining on this lease with total payments of \$288,540.

**Note 14 - INCOME TAX STATUS**

The Council, a nonprofit corporation, is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

**Note 15 - GRANT TO JEFFERSON PARISH**

As discussed in Note 2A, the Council received \$205,000 and \$138,000 for the construction of a senior center facility for the years ended June 30, 1998 and 1997, respectively. In June 1997, the Council entered into an agreement with Jefferson Parish (the Parish) in which the Council renounced a total of \$335,000 to the Parish to be held in escrow until sufficient monies are accumulated to construct the new senior center facility. The Council also agreed to endeavor to acquire additional funds to allow for the construction of the new senior center facility. When sufficient funds are accumulated for construction of the new senior center facility the responsibility will be with the Parish to ensure that said senior center facility is built.

**Note 16 - JUDGEMENTS, CLAIMS, AND SIMILAR CONTINGENCIES**

There is no litigation pending against the Council at June 30, 1998.

The Council receives revenues from various federal and state grant programs which are subject to final review and approval as to allow ability of expenditures by the respective grantor agencies. Any settlements or expenses arising out of a final review are recognized in the period in which agreed upon by the agency and the Council. Also, it is management's opinion that any audits by the grantor agencies would not produce disclosed program costs and liabilities to such an extent that they would materially affect the Council's financial position.

**Note 17 - IRC SECTION 125 CAFETERIA PLAN**

In January 1994, the Council established an Internal Revenue Code Section 125 "cafeteria" plan for its full-time employees. Under this plan an eligible employee can elect to have a portion of his/her compensation reduced to pay for personal health insurance that the employee would normally have to pay with "after tax" compensation. Participation in this plan is at the option of each full-time employee.

**Note 18 - RISK MANAGEMENT**

The Council is exposed to various risks of loss related to thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Council has purchased commercial insurance to cover or reduce the risk of loss that might arise should one of these incidents occur. No settlements were made during the year that exceeded the Council's insurance coverage.

**Note 19 - DEFERRED COMPENSATION PLAN**

The Council offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The Plan, available to all permanent Council employees, permits them to defer until future years certain percentages of annual gross earnings up to specific limits. The deferred compensation is not available to employees until termination, retirement, death, or an unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with these amounts, and all income attributable to these amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the Council (without being restricted to the provisions of benefits under the plan), subject only to the claims of the Council's general creditors. Participants' rights under the plan are equal to those of general creditors of the Council in an amount equal to the fair market value of the deferred account for each participant. Investments held by the deferred compensation fund are recorded at market value.

It is the opinion of the Council's management that the Council has no liability for losses under the plan but does have duty of due care that would be required of an ordinary prudent investor.

**Note 20 - FEDERALLY ASSISTED PROGRAMS**

The Council participates in a number of federally assisted programs. These programs are audited in accordance with the Single Audit Act Amendments of 1996. Audits of prior years have not resulted in any disallowed costs; however, grantor agencies may provide for further examinations. Based on prior experience, the Council's management believes that further examinations would not result in any significant disallowed costs.

In accordance with the Single Audit Act Amendments of 1996 and the Office of Management and Budget Circular A-133, a schedule of expenditures of federal awards is presented.

**Note 21 - ECONOMIC DEPENDENCY**

The Council receives the majority of its revenue from funds provided through grants administered by the Louisiana Governor's Office of Elderly Affairs. The grant amounts are appropriated each year by the federal and state governments. If significant budget cuts are made at the federal and/or state levels the amount of the funds the Council receives could be reduced significantly and have an adverse impact on its operations. Management is not aware of any actions that will adversely affect the amount of funds the Council will receive in the next fiscal year.

**SUPPLEMENTARY FINANCIAL INFORMATION**

## COMBINING BALANCE SHEET - GENERAL FUNDS

## Jefferson Connection Aging, Inc.

June 30, 1998

	SRIP	Fund Building	Transpor- tation	Local	Community Commitment	PCSA (544 735)	Total
<b>Assets</b>							
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 887,151	\$ 53,401	\$ -	\$ 940,552
Investments	-	-	-	31,808	173,328	-	225,136
Contracts receivable	-	-	-	46,657	-	-	46,657
Accounts receivable	-	-	-	2,738	-	-	2,738
Prepaid insurance	-	-	-	1,202	-	-	1,202
Other prepaid expenses	-	-	-	31,152	-	-	31,152
<b>Total assets</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 920,772</b>	<b>\$ 126,721</b>	<b>\$ -</b>	<b>\$ 1,047,493</b>
<b>Liabilities and Fund Equity</b>							
<b>Liabilities</b>							
Accounts payable	\$ -	\$ -	\$ -	\$ 60,045	\$ -	\$ -	\$ 60,045
Accounts salaries	-	-	-	51,292	-	-	51,292
Accounts loans	-	-	-	12,891	-	-	12,891
Payroll taxes payable	-	-	-	3,218	-	-	3,218
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>126,446</b>	<b>-</b>	<b>-</b>	<b>126,446</b>
<b>Fund Equity</b>							
Fund balances:	-	-	-	-	-	-	-
Reserved	-	-	-	80,741	-	-	80,741
Unreserved:	-	-	-	-	-	-	-
Designated	-	-	-	180,808	126,721	-	326,721
Undesignated	-	-	-	133,585	-	-	179,585
<b>Total fund equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>794,328</b>	<b>126,721</b>	<b>-</b>	<b>921,049</b>
<b>Total liabilities and fund equity</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 920,772</b>	<b>\$ 126,721</b>	<b>\$ -</b>	<b>\$ 1,047,493</b>

**COMBINING STATEMENT OF PROGRAM REVENUES, EXPENSES  
AND CHANGES IN FUND BALANCES - GENERAL FUNDS**

Arkansas Council on Aging, Inc.

For the year ended June 30, 1998

	MRP	Fund Raising	Transpor- tation	Local	Community Development	PCSA, (Act 702)	Total
<b>Revenues</b>							
<i>Intergovernmental:</i>							
Office of Elderly Affairs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,000	\$ 30,000
Local governments	-	-	-	244,350	-	-	244,350
Interest income	-	2,700	-	40,300	8,430	-	51,430
<i>Public support:</i>							
Client contributions	-	-	-	34	23,000	-	23,034
Donations in-kind	-	400	-	-	-	-	400
<i>Miscellaneous:</i>							
Program	-	-	61,800	-	-	-	61,800
Other	-	-	-	9,600	41,100	-	50,700
<b>Total revenues</b>	<b>-</b>	<b>3,100</b>	<b>61,800</b>	<b>295,650</b>	<b>71,530</b>	<b>30,000</b>	<b>462,080</b>
<b>Expenditures</b>							
<i>Current:</i>							
Salaries	6,000	-	60,000	71,000	-	800	137,800
Fringe	1,200	-	7,704	10,200	-	80	19,184
Travel	120	-	503	1,800	-	20	2,423
Operating services	4,500	100	31,938	14,900	26,201	1,701	79,740
Operating supplies	311	-	40	1,570	88,631	1,800	92,352
Other costs	2,000	-	15,500	14,500	-	110	32,110
Capital outlay	-	-	33,800	30,170	11,000	-	75,970
<b>Total expenditures</b>	<b>14,131</b>	<b>100</b>	<b>149,542</b>	<b>133,070</b>	<b>117,731</b>	<b>6,811</b>	<b>411,385</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>							
	(14,131)	4,116	(128,584)	161,580	(46,201)	23,189	34,119
<b>Other Financing Sources (Uses)</b>							
Operating transfers in	14,131	-	128,584	4,116	-	-	146,831
Operating transfers out	-	(4,116)	-	(129,000)	-	(23,189)	(137,305)
<b>Excess of Revenues and Other Sources Over Expenditures and Other Uses</b>							
	-	-	-	36,600	(23,000)	-	13,600
<b>Fund Balances</b>							
Beginning of year	-	-	-	253,710	230,640	-	484,350
End of year	\$ -	\$ -	\$ -	\$ 290,310	\$ 207,640	\$ -	\$ 497,950

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
COMMUNITY COMMITTEES ON AGING**

**Jefferson Council on Aging, Inc.**

For the year ended June 30, 1968

	<u>Monies</u>	<u>Grants</u>	<u>Donor</u>	<u>Grants</u>	<u>Winnings</u>	<u>Misc.</u>	<u>Leads</u>	<u>Referrals</u>	<u>Headon</u>	<u>Total</u>
<b>Revenues</b>										
Interest income	\$ 1,116	\$ 285	\$ -	\$ 65	\$ 5,713	\$ 2,211	\$ -	\$ 51	\$ 1,044	\$ 8,485
Public support - Client contributions	3,663	1,796	890	4,617	-	293	-	5,507	4,070	23,068
Miscellaneous Other	1,658	4,192	5,317	3,199	4,699	8,341	-	1,893	14,828	42,184
<b>Total revenues</b>	<b>16,239</b>	<b>6,686</b>	<b>6,167</b>	<b>8,211</b>	<b>8,211</b>	<b>11,887</b>	<b>-</b>	<b>5,398</b>	<b>19,952</b>	<b>73,747</b>
<b>Expenditures</b>										
Current:										
Operating services	4,887	1,788	849	282	1,324	1,764	-	2,444	13,181	26,281
Operating supplies	4,955	3,773	3,697	2,076	8,342	4,694	-	5,009	7,837	48,021
Capital outlay	-	-	-	-	11,469	-	-	-	-	11,469
<b>Total expenditures</b>	<b>9,842</b>	<b>5,561</b>	<b>4,547</b>	<b>2,358</b>	<b>21,855</b>	<b>6,458</b>	<b>-</b>	<b>7,453</b>	<b>20,659</b>	<b>97,731</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>6,397</b>	<b>1,125</b>	<b>1,760</b>	<b>5,853</b>	<b>(13,644)</b>	<b>4,719</b>	<b>-</b>	<b>(197)</b>	<b>(677)</b>	<b>(23,984)</b>
<b>Fund Balance</b>										
Beginning of year	38,111	8,231	4,272	1,282	81,242	44,346	579	25,645	22,892	239,689
End of year	53,508	10,356	24,812	25,681	5,892	54,865	5,822	5,212	231,521	526,731

**COMBINED STATEMENT OF FINANCIAL REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
SPECIAL RECEIPTS FUNDS**

Address Council on Aging, Inc.

For the year ended June 30, 1998

	SPN	Outpatient	Senior Center	Helping Hands	Home Care	Commodities	Miscellaneous Programs
<b>Revenues</b>							
<i>Intergovernmental:</i>							
Governor's Office of Elderly Affairs	\$ -	\$ 11,840	\$ 296,341	\$ -	\$ -	\$ -	\$ 179,170
Department of Agriculture	-	-	-	-	-	1,000	-
Department of Labor	56,308	-	-	-	-	-	-
Other	-	-	10,227	-	-	-	-
Interest income	-	-	-	68	11	-	-
Public support:							
LA Council on Aging	-	-	-	49,888	11,000	-	-
Client contributions	-	-	-	-	-	-	-
Miscellaneous:							
Program income	-	-	-	-	-	-	-
In-kind contributions	-	11,864	791,612	-	-	-	-
<b>Total revenues</b>	<b>56,308</b>	<b>90,104</b>	<b>1,094,961</b>	<b>49,956</b>	<b>11,011</b>	<b>1,000</b>	<b>179,170</b>
<b>Expenditures</b>							
<i>Current:</i>							
Salaries	31,711	50,119	321,368	-	-	2,819	-
Fringe	7,614	4,478	21,996	-	-	642	-
Rent	-	-	-	-	-	-	-
Travel	1,000	1,808	1,494	-	-	-	-
Operating supplies	11,947	4,975	33,831	-	-	2,810	-
Operating supplies	3,360	828	1,429	-	-	180	-
Other cost	14,136	4,814	11,690	-	-	415	-
Grant to Address Council	-	-	-	-	-	-	305,000
Capital outlay	1,436	-	-	-	-	-	-
Utility expenses	-	-	-	49,888	19,888	-	-
In-kind contributions	-	12,864	791,612	-	-	-	-
<b>Total expenditures</b>	<b>56,998</b>	<b>95,184</b>	<b>1,123,428</b>	<b>49,888</b>	<b>19,888</b>	<b>11,480</b>	<b>305,000</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>							
	(67,690)	(16,151)	(11,790)	64	2,223	(1,480)	(125,830)
<b>Other Financing Sources (Uses)</b>							
Operating transfers in	20,731	10,110	71,770	-	-	5,495	-
Operating transfers out	-	-	-	-	-	-	(174,770)
<b>Excess of Revenues and Other Sources Over Expenditures and Other Uses</b>							
	-	-	-	64	2,223	-	-
<b>Fund Balance</b>							
Beginning of year	-	-	-	371	-	-	-
End of year	\$ -	\$ -	\$ -	\$ 361	\$ 2,223	\$ -	\$ -

Category of Expenditure	Audit Fund	Title III-B Supportive Services	Title III-C Area Agency Admin	Title III D-1 Composite Health	Title III D-2 Home Delivered Health	Title III D-3 In-Home Services	Title III-D Health Promotion	Title V	Total
\$ 144,487	15,139	\$ 111,207	\$ 41,100	\$ 152,139	\$ 176,486	\$ 11,800	\$ 14,100	\$ 208,994	\$1,018,110
-	-	-	-	-	-	-	-	-	1000
-	-	-	-	-	-	-	-	-	84,808
-	-	-	-	-	-	-	-	-	13,217
-	-	-	-	-	-	-	-	-	111
-	-	-	-	-	-	-	-	-	54,880
-	-	1,312	-	107,139	8,888	120	-	-	175,451
-	-	-	-	-	5,140	-	-	-	5,140
-	-	-	-	103,734	75,316	-	-	-	1,812,891
144,487	9,139	111,210	41,100	191,096	186,712	11,800	14,100	208,994	3,480,883
-	-	84,845	41,171	11,168	71,812	-	-	192,576	750,680
-	-	14,015	9,328	20,982	15,495	-	-	18,579	716,179
-	-	-	-	146,174	170,620	-	-	-	523,891
-	-	1,888	311	793	45,416	-	-	1,048	56,588
-	9,139	11,717	14,000	14,091	17,343	-	369	11,268	193,167
-	-	1,811	94	1,107	8,117	-	-	1,852	21,711
-	-	111,499	11,441	70,611	78,648	11,800	14,731	9,014	434,811
-	-	-	-	-	-	-	-	-	267,888
-	-	-	-	-	-	-	-	-	3,426
-	-	-	-	-	-	-	-	-	74,680
-	-	-	-	103,734	75,316	-	-	-	1,812,891
-	9,139	111,210	41,178	404,661	145,872	11,800	14,601	114,000	3,269,795
144,487	-	-	11,271	111,059	170,108	-	1,000	-	46,497
-	-	-	1,271	11,000	157,100	-	300	-	288,882
144,487	-	-	-	-	-	-	-	-	1,141,881
71,871	-	-	-	-	-	-	-	-	86,187
41,995	-	-	-	-	-	-	-	-	48,211
\$ 131,880	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 138,479

**STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL -  
GENERAL FUNDS**

**Jefferson Council on Aging, Inc.**

For the year ended June 30, 1998

	Budgeted Expenditures	Actual Expenditures	Variance - Favorable (Unfavorable)
<b>SHIP</b>			
Salaries	\$ 346	\$ 6,983	\$ (6,237)
Fringe	99	1,529	(1,439)
Travel	-	126	(126)
Operating services	3,878	4,500	(622)
Operating supplies	278	311	(33)
Other cost	212	2,047	(1,835)
	<u>5,202</u>	<u>15,496</u>	<u>(10,294)</u>
<b>Fund Raising</b>			
Operating services	-	108	(108)
<b>Transportation</b>			
Salaries	52,382	60,146	(7,364)
Fringe	7,046	7,764	(618)
Travel	120	507	(387)
Operating services	38,577	71,908	(6,339)
Operating supplies	170	46	84
Other cost	14,395	15,526	(731)
Capital outlay	-	33,090	(33,090)
	<u>153,499</u>	<u>189,007</u>	<u>(35,517)</u>
<b>Local</b>			
Salaries	70,267	71,698	(81,231)
Fringe	6,815	15,259	(8,444)
Travel	340	1,929	(1,589)
Operating services	10,488	14,902	(4,416)
Operating supplies	579	1,575	(996)
Other cost	8,404	24,677	(15,273)
Capital outlay	70,000	20,224	9,776
	<u>87,891</u>	<u>150,964</u>	<u>(62,173)</u>

**Schedule 5  
(Continued)**

	Budgeted Expenditures	Actual Expenditures	Variance - Favorable (Unfavorable)
<b>Community Commission</b>			
Operating services	26,291	26,291	-
Operating supplies	49,031	49,821	-
Capital outlay	11,493	11,493	-
	<u>77,215</u>	<u>77,215</u>	-
<b>FCCIA - (Act 735)</b>			
Salaries	-	403	(403)
Fringe	-	88	(88)
Travel	-	756	(756)
Operating services	2,362	3,701	(1,339)
Operating supplies	1,309	1,429	(129)
Other cost	-	116	(116)
	<u>3,662</u>	<u>6,473</u>	<u>(2,811)</u>
<b>Totals</b>	<b>\$ 323,964</b>	<b>\$ 438,863</b>	<b>\$ (110,903)</b>

**STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL -  
SPECIAL REVENUE FUNDS**

**Jefferson Council on Aging, Inc.**

For the year ended June 30, 1998

	<u>Budgeted</u> <u>Expenditures</u>	<u>Actual</u> <u>Expenditures</u>	Variance - Favorable (Unfavorable)
<b>JTPA</b>			
Salaries	\$ 33,928	\$ 35,731	\$ (1,803)
Fringe	6,661	7,834	(1,173)
Travel	650	1,868	(1,218)
Operating services	10,541	11,847	(1,306)
Operating supplies	470	3,386	(2,916)
Other cost	15,342	14,136	1,206
Capital outlay	-	3,426	(3,426)
	<u>67,592</u>	<u>76,508</u>	<u>(8,916)</u>
<b>Ombudsman</b>			
Salaries	18,236	20,129	(1,893)
Fringe	4,121	4,474	(353)
Travel	4,208	1,898	2,310
Operating services	2,891	4,975	(2,084)
Operating supplies	304	303	69
Other cost	5,646	5,814	(168)
In-kind contributions	32,865	32,865	-
	<u>88,181</u>	<u>90,458</u>	<u>(2,277)</u>
<b>Senior Center</b>			
Salaries	202,636	225,108	(22,472)
Fringe	32,693	32,986	(293)
Travel	1,600	1,598	2
Operating services	38,364	32,827	5,537
Operating supplies	2,000	1,429	571
Other cost	50,286	51,690	(1,404)
In-kind contributions	792,812	792,812	-
	<u>1,128,321</u>	<u>1,138,450</u>	<u>(10,129)</u>

**Schedule 6  
(Continued)**

	Budgeted Expenditures	Actual Expenditures	Variance - Favorable (Unfavorable)
<b>Helping Hands</b>			
Utility assistance	49,836	49,836	-
<b>Heating Help</b>			
Utility assistance	24,844	24,844	-
<b>Commodities</b>			
Salaries	6,780	2,839	3,941
Fringe	1,422	612	810
Travel	39	-	39
Operating services	5,881	2,831	(2,790)
Operating supplies	281	383	(102)
Other cost	2,863	815	1,248
	15,289	12,480	3,109
<b>Miscellaneous Programs</b>			
Grant to Jefferson Parish	205,000	205,000	-
<b>Audit Fund</b>			
Operating services	9,739	9,739	-
<b>Title III B - Supportive Services</b>			
Salaries	88,292	88,846	(394)
Fringe	17,294	16,675	1,029
Travel	4,325	3,658	467
Operating services	29,875	22,727	(1,852)
Operating supplies	2,489	2,833	(439)
Other cost	258,968	252,493	6,475
	393,243	387,232	5,135

**Schedule 6  
(Continued)**

	Budgeted Expenditures	Actual Expenditures	Variance - Favorable (Unfavorable)
<b>Title III C - Area Agency</b>			
<b>Administration</b>			
Salaries	41,409	43,251	(1,842)
Fringe	9,267	9,528	(261)
Travel	200	311	(111)
Operating services	15,544	18,056	(2,532)
Operating supplies	707	731	(24)
Other cost	12,866	12,461	405
	<u>79,993</u>	<u>84,338</u>	<u>(4,345)</u>
<b>Title III C-1</b>			
Salaries	68,364	73,388	(5,024)
Fringe	9,902	10,862	(1,960)
Meals:			
Raw food	84,701	86,516	(1,815)
Labor and non-edibles	56,966	64,837	(7,871)
Travel	600	593	7
Operating services	15,174	15,091	83
Operating supplies	783	3,287	(2,504)
Other cost	19,581	19,447	134
In-kind contributions	131,714	131,714	-
	<u>387,683</u>	<u>494,855</u>	<u>(16,372)</u>
<b>Title III C-2</b>			
Salaries	70,594	73,812	(3,218)
Fringe	10,569	10,485	74
Meals:			
Raw food	222,113	285,368	63,255
Labor and non-edibles	178,811	188,378	9,567
Travel	44,000	43,428	(572)
Operating services	18,811	17,385	1,426
Operating supplies	8,766	8,127	639
Other cost	20,343	18,663	1,680
In-kind contributions	93,316	93,316	-
	<u>669,323</u>	<u>643,872</u>	<u>25,451</u>

	Budgeted Expenditures	Actual Expenditures	Variance - Favorable (Unfavorable)
<b>Title III-D In-Home Services</b>			
Other cost	11,779	11,890	(111)
<b>Title III-F</b>			
Operating services	-	269	(269)
Other cost	14,358	14,398	(40)
	14,358	14,667	(309)
<b>Title V</b>			
Salaries	224,872	187,576	37,296
Fringe	26,319	18,373	8,946
Travel	4,890	2,044	2,846
Operating services	15,287	11,093	4,194
Operating supplies	640	1,052	(412)
Other cost	16,292	9,014	7,278
	288,390	238,994	49,396
<b>Totals</b>	<b>\$3,421,839</b>	<b>\$3,388,365</b>	<b>\$ 33,474</b>

**COMPARATIVE STATEMENT OF GENERAL FIXED ASSETS AND  
CHANGES IN GENERAL FIXED ASSETS**

**Jefferson Council On Aging, Inc.**

For the years ended June 30, 1998 and 1997

	Balance July 1, 1997	Additions	Deletions	Balance June 30, 1998
<b>General Fixed Assets, at Cost or Estimated Value</b>				
Furniture and equipment	\$ 203,194	\$ 27,739	\$ 10,990	\$ 220,943
Vans and auto	150,101	29,000	16,154	162,947
<b>Total general fixed assets</b>	<b>\$ 353,295</b>	<b>\$ 56,739</b>	<b>\$ 26,544</b>	<b>\$ 383,480</b>
<b>Investment in General Fixed Assets</b>				
Property acquired prior to 7/1/89 *	\$ 30,761	\$ -	\$ 3,295	\$ 27,466
Property acquired after 7/1/89 from -				
General Fund	151,286	-	100	151,186
JTPA	3,904	3,426	-	9,330
Title III B-85	3,457	-	-	3,457
Senior Center	3,991	-	-	3,991
Act 735	2,248	-	-	2,248
Title III-D	3,786	-	-	3,786
Title V	123	-	-	123
Local Funds	151,739	53,313	25,149	180,903
<b>Total investment in general fixed assets</b>	<b>\$ 353,285</b>	<b>\$ 56,739</b>	<b>\$ 26,544</b>	<b>\$ 383,466</b>

\* Records reflecting source from which assets were acquired were not maintained prior to 7/1/89.

**SCHEDULE OF PRIORITY SERVICES -  
TITLE III, PART B - GRANT FOR SUPPORTING SERVICES**

**Jefferson Council On Aging, Inc.**

For the years ended June 30, 1998

			%
			of
			TOTAL
			Grant
<i>Access (30%):</i>	Assisted transportation	\$ -	
	Case management	102,438	
	Transportation	88,485	
	Information and assistance	23,879	
	Outreach	-	
	<b>Total access expenditures</b>	<b>\$ 215,802</b>	<b>89.31%</b>
<i>In-home (13%):</i>	Homemaker	73,862	
	Clean	-	
	Telephoning	-	
	Visiting	-	
	Adult / daycare / health	-	
	Personal care	83,872	
	<b>Total in-home expenditures</b>	<b>158,004</b>	<b>65.36%</b>
<i>Legal (5%):</i>	Legal Assistance	13,279	5.49%
<i>Non-priority services</i>		-	
	<b>Total Title III - Supportive services expenditures</b>	<b>387,232</b>	
<i>Loss:</i>	Participant contributions	(1,525)	
	Other public support	-	
	Transfers in	-	
	<b>Title III - Supportive services grant</b>	<b>385,707</b>	
<i>Loss:</i>	Transfer of contract allotments	-	
	State homemaker	(60,303)	
	State transportation	(83,831)	
	<b>Original grant award net of additional state homemaker and transportation funds and transfers of contract allotments</b>	<b>\$ 241,773</b>	

**COMPENSATION TO BOARD MEMBERS**

**Jefferson Council on Aging, Inc.**

For the year ended June 30, 1998

No members of the Board of Directors of Jefferson Council on Aging, Inc. received compensation for their services during the year ended June 30, 1998.

**SPECIAL REPORTS OF CERTIFIED PUBLIC ACCOUNTANTS**



Bourgeois Bennett

**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING BASED ON AN AUDIT OF  
THE GENERAL-PURPOSE FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

To the Members of the Board of Directors,  
Jefferson Council on Aging, Inc.

We have audited the general-purpose financial statements of the Jefferson Council on Aging, Inc. (the Council), as of and for the year ended June 30, 1998, and have issued our report thereon dated August 18, 1998. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether the Council's general-purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Council's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general-purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all weaknesses in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of

the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general-purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operations that we consider to be material weaknesses.

This report is intended for the information of the finance committee, management, the Legislative Auditor for the State of Louisiana, and federal auditing agencies and pass-through entities. However, this report is a matter of public report and its distribution is not limited.

*Bourgeois Bennett, LLC.*

Certified Public Accountants

Monroe, La.,  
August 18, 1998.



Jefferson Council on Aging, Inc.

**REPORT ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO EACH MAJOR PROGRAM AND  
INTERNAL CONTROL OVER COMPLIANCE IN  
ACCORDANCE WITH OMB CIRCULAR A-133**

To the Members of the Board of Directors,  
Jefferson Council on Aging, Inc.

**Compliance**

We have audited the compliance of the Jefferson Council on Aging, Inc. (the Council), with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 1998. The Council's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Council's management. Our responsibility is to express an opinion on the Council's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Council's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Council's compliance with those requirements.

In our opinion, the Council complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 1998.

#### **Internal Control Over Compliance**

The management of the Council is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Council's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended for the information of the Senate committee, management, the Legislative Auditor for the State of Louisiana, and federal awarding agencies and pass-through entities. However, this report is a matter of public report and its distribution is not limited.

*Bourgeois Bennett, LLC.*

Certified Public Accountants

Metairie, La.,  
August 18, 1998.

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**Jefferson Council On Aging, Inc.**

For the year ended June 30, 1988

Federal Grants/ Pass Through Grants/ Program Title	Federal CFDA Number	Pass Through, Grants' Number	Federal Expenditures
<b>Department of Agriculture</b>			
<b>Direct Programs:</b>			
USDA (Commodities)	18-590	N/A	\$ 3,065
<b>Passed Through the</b>			
<b>Louisiana Governor's Office of Elderly Affairs:</b>			
USDA (Cash-in-Kind)	18-590	113-519986	47,975
USDA (Cash-in-kind)	18-590	113-8084	18,637
			66,612
Total Dept. of Agriculture			73,677
<b>Department of Labor:</b>			
<b>Passed Through the</b>			
<b>Louisiana Governor's Office of Elderly Affairs:</b>			
Title V	17-325	110-78673	211,699
<b>Passed Through the Louisiana Department</b>			
<b>of Labor:</b>			
JTPA Title II	17-328	111-86-03-175-2173-20	56,308
Total Dept. of Labor			271,400
<b>Department of Health and Human Services:</b>			
<b>Passed Through the</b>			
<b>Louisiana Governor's Office of Elderly Affairs:</b>			
Title III F - Disease Prevention and Health Promotion	83-660	133-708129	12,238
Title III B - Supportive Services	83-664	133-708129	294,233
Title III C - Area Agency Admin.	83-660	133-708129	80,838
Title III C-1 - Congregate Meals	83-660	133-708129	147,161
Title III C-2 - Home Delivered Meals	83-660	133-708129	121,556
Title III D - In Home Services	83-668	133-708129	9,978
Total Dept. of Health and Human Services			668,006
<b>Total</b>			<b>\$ 953,183</b>

**NOTES TO SCHEDULE OF EXPENDITURES  
OF FEDERAL AWARDS**

**Jefferson Council on Aging, Inc.**

*For the year ended June 30, 1998*

**Note 1 - SCOPE OF AUDIT PURSUANT TO OMB CIRCULAR A-133, SINGLE AUDIT ACT  
AMENDMENTS OF 1996**

All Federal grant awards of the Jefferson Council on Aging, Inc. are included in the scope of the OMB Circular A-133, Single Audit Act Amendments of 1996. The United States Department of Health and Human Services is the oversight agency for the single audit.

**Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Schedule of Expenditures of Federal Awards has been prepared on the accrual basis of accounting.

## **SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

### **Jefferson Council on Aging, Inc.**

For the year ended June 30, 1998

#### **Section I Summary of Auditor's Results**

##### **a) Financial Statements**

Type of auditor's report issued: unqualified

Internal control over financial reporting:

- Material weakness(es) identified?  yes  no
- Reportable condition(s) identified that are not considered to be material weakness  yes  none reported

Noncompliance material to financial statements noted?  yes  no

##### **b) Federal Awards**

Internal control over major programs:

- Material weakness(es) identified?  yes  no
- Reportable condition(s) identified that are not considered to be material weakness  yes  none reported

Type of auditor's report issued on compliance for major programs: unqualified

Any audit findings disclosed that are required to be reported in accordance with section 310(a) of Circular A-133  yes  no

**Section I - Summary of Auditor's Results (Continued)**

**c) Identification of Major Programs:**

CFDA Number(s)	Name of Federal Program (or Cluster)
93.044	Title III B - Supportive Services
93.045	Title III C - Area Agency Administration
93.045	Title III C-1 - Congregate Meals
93.045	Title III C-2 - Home Delivered Meals

Dollar threshold used to distinguish  
between Type A and Type B programs: \$200,000

Auditor qualified as a low-risk auditor?  yes  no

**Section II Financial Statement Findings**

There were no findings required to be reported during the audit of the general-purpose financial statements for the year ended June 30, 1998.

**Section III Federal Award Findings and Questioned Costs**

There were no findings or questioned costs required to be reported during the audit of the year ended June 30, 1998.

**REPORTS BY MANAGEMENT**

**SCHEDULE OF PRIOR YEAR FINDINGS AND  
QUESTIONED COSTS**

**Jefferson Council on Aging, Inc.**

For the year ended June 30, 1996

**Section I - Internal Control and Compliance Material to the Primary Government's General-Purpose Financial Statements**

There were no findings reported as a result of the audit of the general-purpose financial statements for the year ended June 30, 1997.

**Section II - Internal Control and Compliance Material To Federal Awards**

There were no findings or questioned costs reported as a result of the audit of the general-purpose financial statements for the year ended June 30, 1997.

**Section III - Management Letter**

**Recommendation** - The Council's policy of updating the fixed asset listing for fixed assets acquired by the Community Committee was not adhered to. Due to the insignificance of the amounts, the Council was to consider changing its policy of recording these items in the General Fixed Asset Account Group of the Council.

**Management's Response** - The Council's policy was changed to not account for fixed assets of the Community Committee in the General Fixed Asset Account Group.

## MANAGEMENT'S CORRECTIVE ACTION PLAN

Jefferson Council on Aging, Inc.

For the year ended June 30, 1998

### **Section I - Internal Control and Compliance Material to the Primary Government's General-Purpose Financial Statements**

There were no findings reported as a result of the audit of the general-purpose financial statements for the year ended June 30, 1998.

### **Section II - Internal Control and Compliance Material To Federal Awards**

There were no findings or questioned costs reported as a result of the audit of the general-purpose financial statements for the year ended June 30, 1998.

### **Section III - Management Letter**

A management letter was not issued in connection with the audit of the general-purpose financial statements for the year ended June 30, 1998.